

OCT 11 1954

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## MEMORANDUM FOR THE RECORD

SUBJECT: Coordination of Economic, Psychological and other  
Non-Military Defense Measures

1. On 9 October 1954 Messrs. Brundage and Finan of the Bureau of the Budget discussed this subject in a meeting with the Director at which I was present.

2. This meeting was prompted by a letter from the Bureau of the Budget asking certain questions with regard to this subject and to which the Director replied on 23 September 1954. In the Director's reply it was suggested that certain questions on this subject might better be handled on the basis of an oral conference.

3. The discussion centered largely around overall governmental planning regarding the coordination of economic, psychological and other non-military defense measures. Mr. Brundage indicated that it was the general feeling that we, as a nation, always reacted in a defensive way to an event rather than taking the initiative. He realized that we were doing certain planning in the covert field as was USIA in the overt field, and perhaps other agencies were engaged in planning of this type in varying degrees. However, he was not satisfied that any agencies or other groups were considering the total problem.

4. Mr. Brundage and Mr. Finan seemed to be thinking along the lines of creating such a group, either within an existing Agency or separately, to concentrate on this type of total planning. At one point, they stated they thought Joe Dodge would come up with a proposal to create another group at Cabinet level to consider this matter on a continuing basis. It was generally agreed that NSC Directives were couched in such broad general terms that they did not offer sufficient specific guidance. The Director indicated that he thought the OCB should be used more to meet this type of problem primarily through the formation of task forces to consider specific problems rather than the establishment of a large OCB Staff.

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5. While the Director did not take a position against the establishment of a new group within Government to attack this problem he indicated that he felt the answer would be in greater and closer coordination among the several existing agencies. The Director suggested that Mr. Brundage and Mr. Finan talk with Herbert Hoover, Jr., Under Secretary of State, inasmuch as he is the Chairman of the OCB. He also suggested that they talk to [REDACTED] Bob Amory, and Frank Wisner.

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6. Inasmuch as the Bureau of the Budget is to report to the President on this matter on 28 October 1954, the Director agreed to arrange a meeting with the group at a very early date.

L. K. WHITE  
Deputy Director  
(Administration)

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